

**City of Danville, Virginia
City Council Adopted
Capital & Special Projects
Highlights & Overall Plan
Summary
FY 2016 – 2020**

CAPITAL & SPECIAL PROJECTS HIGHLIGHTS

The City of Danville's Capital & Special Projects Plan (CSP) is a five-year presentation of proposed major capital and special projects for all municipal funds. Included are projects with provisions for blight removal, economic development, River District renovation, construction, replacement or rehabilitation of public facilities, technology infrastructure, major street improvements, equipment replacement, and utility infrastructure. Careful consideration is given annually to developing a CSP that is economically feasible and prudent, and will provide long-term benefits for the safety and well-being of the community.

The CSP is categorized into General Fund and Utility Fund projects. The proposed 2016-20 Five-Year CSP provides for total revenues and expenditures of \$146,323,780 of which FY 2016 projects total \$22,177,670.

FUNDING

Bonds

This CSP includes the issuance of \$9,946,000 in General Obligation Bonds during FY 2016 to fund projects in the Electric Fund and General Fund departments, including fire, finance, police, information technology, parks & recreation, public schools, public works buildings and grounds, streets, and airport. This represents approximately 44.8% of FY 2016 funding sources. Projects funded with bonds are not included in the Budget Appropriation Ordinance. These projects are appropriated by a Bond Appropriation Ordinance.

Pursuant to Chapter 9, Section 9.7 (A), (D), (E), and (F) of the City Charter, issuance of the following may be authorized by City Council without voter's approval:

- Up to \$6 million of bonds in any one fiscal year to finance capital expenditures excluding capital improvements related to water, sewer, gas, or electric improvements.
- Up to \$10 million of bonds in any one fiscal year to finance capital expenditures relating to the City's water, sewer, gas, electric systems, or other undertaking from which the City may derive a revenue.
- Up to \$25 million of bonds or notes in any one fiscal year for capital expenditures relating to the City's water treatment, wastewater treatment, stormwater treatment, solid waste disposal, recycling facilities, and any extraordinary maintenance improvements or expansions of transmission and/or distribution infrastructure for the electric or gas systems.
- Refunding bonds issued to refinance existing debt.

State Funding

State grants from the Virginia Department of Transportation (VDOT) Revenue Sharing program provide funding for Public Works street projects. Other State grants provide

funding to emergency communications to replace the City's E911 telephone system, which has reached its end of life and replacement parts are no longer available. FY 2016 proposes funding in the amount of \$1,425,000, approximately 6.4% of FY 2016 project funding.

State Aid to Localities

Virginia Fire Service Program provides funding for qualified projects. These projects are required to fund purchases not included in the Fire Department's operating budget. With the 1987 annexation, the City used these funds in combination with General Fund current revenues to pay debt service for lease-purchases of fire apparatus equipment. In FY 2004, a Fire Apparatus Replacement Program was instituted to provide pay-as-you-go funding of new fire trucks and equipment. Fire pumper trucks have an average life of 15 years and ladder trucks 20 years. The FY 2016 CSP includes \$475,000 toward the Apparatus/Equipment Plan with State funding in the amount of \$120,000.

Current Revenues

This category provides total FY 2016 funding in the amount \$7,858,270, representing 35.4% of FY 2016 funding sources. Utility revenues provide \$5,495,960 while the General Fund provides support of \$2,362,310.

Unreserved Fund Balance

Transfers from the unreserved fund balance includes \$1,810,710 from the General Fund and \$350,000 from the Gas Fund and represents 9.7% of project funding.

Other Funding Sources

The Electric Fund's Weatherization and Energy Efficiency program uses revenues from the Power Cost Adjustment in the amount of \$510,000 for FY 2016 which represents 2.3% of project funding.

Also included in the FY 2016 CSP is the recommendation to use \$202,690 from the repayment of the Telvista Loan to fund Economic Development projects. This represents the FY 2015 and 2016 repayments. In the past two fiscal years, this money has been transferred to the General Fund Unreserved Fund Balance at year-end.

PROJECTS

General Fund

Community Development – The Blight Removal Project benefits the City by eliminating derelict structures and repairing owner-occupied structures. Reduction in property blight should stimulate improvement in the housing market and reduce demands on municipal services. The City's image as a great place to live, work, and raise a family will be enhanced.

Economic Development – This category includes the China Strategy, River District Purchase and Improvement Plan and Industrial Site Development. There is no recommended funding for Industrial Site Development for FY 2016.

Finance Department – The project for the Finance Department provides for a solution for the traffic flow situation at the Harris Finance Service Center.

Fire Department – Projects for the Fire Department include the Fire Apparatus/Equipment Replacement Plan, parking lots and access drives improvements, roof replacements, and telephone system replacement. In addition, the rehabilitation of two buildings and the construction of an exhibit per the agreement with the Department of Historic Resources at the new Fire Station/Headquarters on Lynn Street are included.

Information Technology – Technology continues to change and the City needs to stay current with the latest infrastructure, end-of-life replacements of hardware and enhancements that will make the organization more efficient and effective. Projects in this category include the Computer Plan providing for infrastructure needs, Enterprise Resource Planning providing upgrades and enhancements to the City's financial and human resource management systems, and geographic information system upgrades.

Parks and Recreation – Projects in this category include upgrades, maintenance, and renovations to American Legion Stadium, facilities improvements, park improvements, Riverwalk Trail maintenance, upgrades to the City Armory electric system, and park paving projects. Maintaining modern recreational facilities is important to maintaining Danville's favorable quality of life.

Police – Projects in the Police Department include SWAT tactical equipment upgrades, additions to the video surveillance system in the River District, and upgrades to the police firing range. The Adult Detention facility improvements have been a continuing project since 2002. This is a multi-faceted and comprehensive approach to renovating the facility.

Public Works – General maintenance of Buildings and Grounds provides for major repairs and maintenance of city-owned buildings. An annual appropriation for this project is included each year. Annual provision for roof, elevator and HVAC replacements of City buildings has been added to the Five-Year CSP. Roofs, elevators and heating, ventilating, and air conditioning (HVAC) systems are aging and there is a need to establish a plan to address these areas. Other projects include River District street improvements, stormwater improvements, general street improvements, South Boston Road widening, and Stewart Street improvements. The VDOT revenue sharing program will provide funding for most street projects. The State Enhancement Grant program is anticipated to provide 75% funding for the Northside Riverwalk Trail Extension – Central Boulevard to Piedmont Drive scheduled for FY 2016.

Public Schools – The Schools have submitted a request for improvements for Schoolfield Elementary School, Westwood Middle School, and George Washington High School for FY 2016.

Transportation Department – The only Airport project scheduled for FY 2016 is to refurbish hangar buildings. Projects in years two – five include hangar building expansion, rehabilitation of Taxiway A, Crosswind Runway 13/31, and T-Hangar Taxilane.

Utility Funds

Sewer/Wastewater - Public Works sewer projects include annual funding for sewer line reconstruction and new sewer lines/inflow and infiltration reduction. Other major sewer projects scheduled include replacement of Rutledge Creek Sewer lines (FY 2016), Apple Branch Sewer lines (FY 2017), Luna Lake Sewer lines (FY 2019), Pumpkin Creed Tributary Sewer lines (FY 2020), and Sandy Creek Sewer Collector Improvements (FY 2018). Wastewater Treatment Plant projects include continuation of the Northside Plant process modifications and supervisory control and data acquisition (SCADA) implementation

Water – Many of the City's water mains and service lines are old, deteriorating, and have outlived their life expectancies. The Water Line Reconstruction project is a multi-year effort to address the replacement of pipelines causing continuous problems. Other projects include replacement of Ballou distribution water mains, Water Treatment Plant improvements, repair of Schoolfield Dam gate guides, and replacement of a variable frequency Drive for 700 HP pump.

Gas – The Cast Iron Main Replacement Project began in 1994 to replace old cast iron and steel pipelines that have deteriorated and can present a safety hazard. Other projects include northern gas feed, gas main extensions and the Holland Road gas main extension.

Electric – Annual funding is provided for line rebuilds and reconductoring and the automation of the distribution system. There are various projects in distribution, substations, and transmission. The Weatherization – Energy Efficiency Program was implemented in September 2010 to provide Danville Utilities Power & Light Division with the necessary revenue to continue funding our energy efficiency incentive, education, and customer outreach programs.

Telecommunications – nDanville has gradually extended its service to residential neighborhoods on a pay-as-you-go basis. The deployment will continue to expand nDanville into residential neighborhoods while operating debt free.

PROJECT SUMMARIES

On the following pages are five-year CSP summary tables listing all capital projects by Fund/Department. Additionally, FY 2016 funding sources for General Fund, Gas Fund, and Electric Fund projects are included. Section 2 contains 5-year summaries for each fund. Section 3 contains project details.

UNFUNDED/UNSCHEDULED PROJECTS

In addition to projects listed in this five-year CSP, the City needs to address numerous projects beyond the next five years. As a matter of information, an appendix is included listing such projects. The information is intended to inform City Council of future needs

ALL FUNDS
ADOPTED BUDGET - CAPITAL & SPECIAL PROJECTS - FY 2016 - 2020

Fund/Department	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	5 Yr Total
<u><i>General Fund</i></u>						
Non-Departmental	\$ 250,000	\$ 400,000	\$ 200,000	\$ -	\$ -	\$ 850,000
Community Development	1,650,000	1,250,000	1,150,000	900,000	850,000	5,800,000
Economic Development	670,000	3,950,000	3,950,000	3,950,000	-	12,520,000
Finance Dept	78,000	-	-	-	-	78,000
Fire Department	929,000	379,800	465,000	489,000	489,000	2,751,800
General Assembly - Circuit Court	-	639,420	-	-	300,000	939,420
Information Technology	775,050	800,000	1,450,000	450,000	450,000	3,925,050
Parks & Recreation	670,000	725,000	237,000	455,000	125,000	2,212,000
Police Department - Admin	260,660	-	-	16,000,000	-	16,260,660
Police Department - Adult Detention	350,000	155,000	-	220,000	-	725,000
P/W - Building & Grounds	954,000	928,000	875,000	834,000	954,000	4,545,000
P/W Engineering & Street	2,850,000	3,300,000	1,800,000	2,800,000	1,800,000	12,550,000
Public Schools	2,620,000	3,790,000	2,225,000	2,815,000	1,788,000	13,238,000
Transportation Services	265,000	7,382,890	-	-	-	7,647,890
General Fund Total	\$ 12,321,710	\$ 23,700,110	\$ 12,352,000	\$ 28,913,000	\$ 6,756,000	\$ 84,042,820
<u><i>Wastewater Fund</i></u>						
Sewers	\$ 1,250,000	\$ 1,250,000	\$ 1,300,000	\$ 1,250,000	\$ 1,300,000	\$ 6,350,000
Wastewater Treatment	550,000	1,000,000	400,000	400,000	400,000	2,750,000
Wastewater Fund Total	\$ 1,800,000	\$ 2,250,000	\$ 1,700,000	\$ 1,650,000	\$ 1,700,000	\$ 9,100,000
<u><i>Water Fund</i></u>						
Distribution	\$ 725,000	\$ 900,000	\$ 1,000,000	\$ 1,100,000	\$ 1,000,000	\$ 4,725,000
Water Treatment	430,000	400,000	400,000	300,000	400,000	1,930,000
Water Fund Total	\$ 1,155,000	\$ 1,300,000	\$ 1,400,000	\$ 1,400,000	\$ 1,400,000	\$ 6,655,000
<u><i>Gas Fund</i></u>						
Distribution	\$ 1,500,000	\$ 1,500,000	\$ 4,705,000	\$ 8,000,000	\$ 3,400,000	\$ 19,105,000
Gas Fund Total	\$ 1,500,000	\$ 1,500,000	\$ 4,705,000	\$ 8,000,000	\$ 3,400,000	\$ 19,105,000
<u><i>Electric Fund</i></u>						
Distribution	\$ 500,000	\$ 2,050,000	\$ 1,690,000	\$ 1,690,000	\$ 1,690,000	\$ 7,620,000
Load Management	-	1,000,000	1,000,000	-	-	2,000,000
Sub-Stations	2,000,000	1,610,000	1,620,000	1,720,000	1,650,000	8,600,000
Transmission	2,000,000	-	-	-	-	2,000,000
Miscellaneous	510,000	2,900,000	500,000	500,000	500,000	4,910,000
Electric Fund Total	\$ 5,010,000	\$ 7,560,000	\$ 4,810,000	\$ 3,910,000	\$ 3,840,000	\$ 25,130,000

ALL FUNDS
ADOPTED BUDGET - CAPITAL & SPECIAL PROJECTS - FY 2016 - 2020

Fund/Department	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	5 Yr Total
<i>Telecommunications</i>						
Distribution	\$ 390,960	\$ 450,000	\$ 450,000	\$ 500,000	\$ 500,000	\$ 2,290,960
Telecommunications Total	\$ 390,960	\$ 450,000	\$ 450,000	\$ 500,000	\$ 500,000	\$ 2,290,960
	<u>\$ 22,177,670</u>	<u>\$ 36,760,110</u>	<u>\$ 25,417,000</u>	<u>\$ 44,373,000</u>	<u>\$ 17,596,000</u>	<u>\$ 146,323,780</u>
Funding:						
General Fund Revenues	\$ 2,242,310	\$ -	-	-	-	\$ 2,242,310
Fund Balance	2,160,710	-	3,205,000	6,500,000	1,900,000	13,765,710
Aid to Localities-VA Fire Program	120,000	120,000	120,000	120,000	120,000	600,000
Utility Fund Revenues	5,495,960	-	-	-	-	5,495,960
To Be Determined	-	25,036,998	17,582,000	33,443,000	12,036,000	88,097,998
PCA Revenue	510,000	500,000	500,000	500,000	500,000	2,510,000
State/Federal Grants	1,425,000	5,043,112	700,000	1,400,000	700,000	9,268,112
Other (Reprogrammed Funds)	277,690	2,400,000	-	-	-	2,677,690
Bonds	9,946,000	3,660,000	3,310,000	2,410,000	2,340,000	21,666,000
Total Funding-All Funds:	<u>\$ 22,177,670</u>	<u>\$ 36,760,110</u>	<u>\$ 25,417,000</u>	<u>\$ 44,373,000</u>	<u>\$ 17,596,000</u>	<u>\$ 146,323,780</u>

GENERAL FUND
ADOPTED BUDGET - CAPITAL & SPECIAL PROJECTS - FY 2016

	Fund Balance	Debt Financing	Current Revenues	Grants/CIA	Other - To Be Determined	Total
<u>Non-Departmental</u>						
Riverfront Park Master Plan & Design	\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ 50,000
Space Needs Study	50,000	-	-	-	-	50,000
G W Stadium Study	150,000	-	-	-	-	150,000
	<u>\$ 250,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 250,000</u>
<u>Community Development</u>						
Comprehensive Blight Removal	-	-	1,650,000	-	-	1,650,000
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,650,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,650,000</u>
<u>Economic Development</u>						
E/D River District Purchase Plan	\$ -	\$ -	\$ 367,310	\$ -	\$ 202,690	\$ 570,000
China Strategy Implementation	-	-	100,000	-	-	100,000
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 467,310</u>	<u>\$ -</u>	<u>\$ 202,690</u>	<u>\$ 670,000</u>
<u>Finance</u>						
Financial Service Center	-	78,000	-	-	-	78,000
	<u>\$ -</u>	<u>\$ 78,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 78,000</u>
<u>Fire</u>						
Fire Station Roof Replacement	\$ -	\$ 30,000	\$ -	\$ -	\$ -	\$ 30,000
Fire Apparatus and Equipment Replacement Plan	-	330,000	120,000	-	-	450,000
Public Safety Center - Fire Headquarters	-	140,000	-	-	-	140,000
PSAP Phone System Replacement	-	-	125,000	150,000	-	275,000
Asphalt Resurfacing of Parking and Emergency Access Drives	-	34,000	-	-	-	34,000
	<u>\$ -</u>	<u>\$ 534,000</u>	<u>\$ 245,000</u>	<u>\$ 150,000</u>	<u>\$ -</u>	<u>\$ 929,000</u>
<u>Information Technology</u>						
Enterprise Resource Planning Enhancements & Upgrades	\$ 337,500	\$ -	\$ -	\$ -	\$ -	\$ 337,500
Computer plan	417,550	-	-	-	-	417,550
GIS	20,000	-	-	-	-	20,000
	<u>\$ 775,050</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 775,050</u>

GENERAL FUND
ADOPTED BUDGET - CAPITAL & SPECIAL PROJECTS - FY 2016

	Fund Balance / Budget Stabilization	Debt Financing	Current Revenues	Grants/CIA	Other - To Be Determined	Total
<u>Parks Recreation Tourism</u>						
Riverwalk Trail	\$ 25,000	\$ -	\$ -	\$ -	\$ -	\$ 25,000
Park Improvements	120,000	-	-	-	-	120,000
Facility Improvements	-	120,000	-	-	-	120,000
Parks Paving Projects	30,000	-	-	-	-	30,000
City Auditorium Renovation	-	375,000	-	-	-	375,000
	<u>\$ 175,000</u>	<u>\$ 495,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 670,000</u>
<u>Police - Admin</u>						
Video Surveillance System in the River District	\$ -	\$ 200,000	\$ -	\$ -	\$ -	\$ 200,000
SWAT Tactical Equipment Upgrade	20,000	-	-	-	-	20,000
Police Firing Range Upgrade	40,660	-	-	-	-	40,660
	<u>\$ 60,660</u>	<u>\$ 200,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 260,660</u>
<u>Police - Adult Detention Facility</u>						
Adult Detention Facility Improvements	\$ -	\$ 350,000	\$ -	\$ -	\$ -	\$ 350,000
	<u>\$ -</u>	<u>\$ 350,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 350,000</u>
<u>Public Works-Bldg and Grounds</u>						
Roof Replacement - City Buildings	\$ -	\$ 275,000	\$ -	\$ -	\$ -	\$ 275,000
HVAC Replacement - City Buildings	-	244,000	-	-	-	244,000
General Maintenance of Buildings & Grounds	150,000	-	-	-	-	150,000
Elevator Upgrade	-	285,000	-	-	-	285,000
	<u>\$ 150,000</u>	<u>\$ 804,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 954,000</u>

GENERAL FUND
ADOPTED BUDGET - CAPITAL & SPECIAL PROJECTS - FY 2016

	Fund Balance / Budget Stabilization	Debt Financing	Current Revenues	Grants/CIA	Other - To Be Determined	Total
<u>Public Works-Engineering & Streets</u>						
City-wide Wayfinding/Signage	100,000	-	-	-	-	100,000
River District Street Improvements	-	500,000	-	500,000	-	1,000,000
River District Street Landscaping - Non VDOT	100,000	-	-	-	-	100,000
Stormwater Improvements	-	200,000	-	-	-	200,000
General Street Improvements	-	200,000	-	200,000	-	400,000
South Boston Road WBL Widening	-	125,000	-	125,000	-	250,000
Steward Street Improvements	-	75,000	-	150,000	75,000	300,000
Northside Riverwalk Trail Extension - Central Blvd. to Piedmont Dr.	200,000	-	-	300,000	-	500,000
	<u>\$ 400,000</u>	<u>\$ 1,100,000</u>	<u>\$ -</u>	<u>\$ 1,275,000</u>	<u>\$ 75,000</u>	<u>\$ 2,850,000</u>
<u>Public Schools</u>						
School Improvements	\$ -	\$ 2,620,000	\$ -	\$ -	\$ -	\$ 2,620,000
	<u>\$ -</u>	<u>\$ 2,620,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,620,000</u>
<u>Transportation Services</u>						
Refurbish Hangar Buildings	\$ -	\$ 265,000	\$ -	\$ -	\$ -	\$ 265,000
	<u>\$ -</u>	<u>\$ 265,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 265,000</u>
Project Totals	<u><u>\$ 1,810,710</u></u>	<u><u>\$ 6,446,000</u></u>	<u><u>\$ 2,362,310</u></u>	<u><u>\$ 1,425,000</u></u>	<u><u>\$ 277,690</u></u>	<u><u>\$ 12,321,710</u></u>

GAS FUND

CITY COUNCIL'S INTRODUCTORY BUDGET - CAPITAL & SPECIAL PROJECTS - FY 2016

	Debt Financing	Current Revenues	Fund Balance	Other	Total
<u>Distribution</u>					
Cast Iron Replacements	\$ -	\$ 1,150,000	\$ 350,000	\$ -	\$ 1,500,000
Total Projects	\$ -	\$ 1,150,000	\$ 350,000	\$ -	\$ 1,500,000

ELECTRIC FUND
CITY COUNCIL'S INTRODUCTORY BUDGET - CAPITAL & SPECIAL PROJECTS - FY 2016

	Debt Financing	Current Revenues	Fund Balance	Other	Total
<u>Distribution</u>					
Line Rebuilds and Reconductoring	-	100,000	-	-	100,000
System Reliability Inspections	-	400,000	-	-	400,000
Distribution Total	<u>\$ -</u>	<u>\$ 500,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 500,000</u>
<u>Sub-Stations</u>					
Substation Upgrades & Rebuilds	\$ 2,000,000	\$ -	\$ -	\$ -	\$ 2,000,000
Sub-Stations Total	<u>\$ 2,000,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,000,000</u>
<u>Transmission</u>					
69 kV Rebuild Wendell Scott to New Design	\$ 1,500,000	\$ 500,000	\$ -	\$ -	\$ 2,000,000
Sub-Stations Total	<u>\$ 1,500,000</u>	<u>\$ 500,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,000,000</u>
<u>Miscellaneous</u>					
Weatherization - Energy Efficiency	\$ -	\$ 510,000	\$ -	\$ -	\$ 510,000
Sub-Stations Total	<u>\$ -</u>	<u>\$ 510,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 510,000</u>
Total Capital & Non-Capital Projects:	<u><u>\$ 3,500,000</u></u>	<u><u>\$ 1,510,000</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 5,010,000</u></u>